CHAPTER NO. 518

SENATE BILL NO. 2625

By Cooper, Clabough, Crutchfield, Graves, Dixon

Substituted for: House Bill No. 2499

By Hagood, Sargent, Ronnie Cole, Lewis

AN ACT To amend Tennessee Code Annotated, Section 56-32-204, relative to the enrollee's share of co-insurance with a health maintenance organization.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 56-32-204(a)(2), is amended by deleting the present language in its entirety and by substituting instead the following:

(2) The health maintenance organization will effectively provide or arrange for the provision of basic health care service on a prepaid basis through insurance or otherwise, except to the extent of reasonable enrollee cost-sharing requirements such as co-payments, deductibles or co-insurance; provided, however, that for basic health care services through participating network providers, the amount of co-insurance paid by the enrollee shall not exceed twenty percent (20%).

SECTION 2. This act shall take effect July 1, 2002, the public welfare requiring it.

PASSED: March 14,,2002

JOHN S. WILDER SPEAKER OF THE SENATE

> JIMMY NAIFEH, SPEAKER USE OF REPRESENTATIVES

APPROVED this 19th day of March 2002

DON SANOCUISTI GOVENNOR